

Charity Registration No. 1111436
Scottish Charity No. SC040728
Company Registration No. 5123444 (England and Wales)

COMMUNITY MONEY ADVICE LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2024

COMMUNITY MONEY ADVICE LIMITED

CONTENTS

	Page
Trustees report	2 - 6
Statement of trustees responsibilities	1
Independent auditor's report	7 - 9
Statement of financial activities	10 - 11
Balance sheet	12
Statement of cash flows	13
Notes to the financial statements	14 - 24

COMMUNITY MONEY ADVICE LIMITED

LEGAL AND ADMINISTRATIVE INFORMATION

Directors and Trustees	H R Keates T D Jackson S E Vinson J S Mander A Padfield J E Wanless
Secretary	S E Vinson
Charity number	1111436
Company number	5123444
Principal address	18 Wyle Cop Shrewsbury Shropshire SY1 1XB
Registered office	The Barnabas Centre Longden Coleham Shrewsbury Shropshire SY3 7DN
Auditors	James Holyoak & Parker Limited 1 Knights Court Archers Way Battlefield Enterprise Park Shrewsbury SY1 3GA

COMMUNITY MONEY ADVICE LIMITED

STATEMENT OF TRUSTEES RESPONSIBILITIES

FOR THE YEAR ENDED 31 MAY 2024

The trustees, who are also the directors of Community Money Advice Limited for the purpose of company law, are responsible for preparing the Trustees Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

In preparing these financial statements, the trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in operation.

The trustees are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

COMMUNITY MONEY ADVICE LIMITED

TRUSTEES REPORT (INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MAY 2024

The trustees present their annual report and financial statements for the year ended 31 May 2024.

The financial statements have been prepared in accordance with the accounting policies set out in note 2 to the financial statements and comply with the company's Articles of Association and Memorandum, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102)" (effective 1 January 2019).

Objectives and activities

The main objects of the charity are to relieve poverty by providing advice and training to community groups and non-profit making organisations in order for them to assist persons who have been affected by debt.

The main activities of the charity are the development of church based social and community action especially in the field of debt and money advice to people in need. Also the establishment of completely free money advice centres in every community in the nation together with publication of education and training materials related to the above activities.

In planning the activities of the charitable company, the directors have considered the Charity commission's guidance on public benefit. The charity provides advice to persons in debt and also provides training to debt advisors.

In addition, the charity advises Government, the national press and TV on personal indebtedness.

We summarise our overall aims in the statement, 'Freedom from debt, hope for the future'.

Achievements and performance

The driving force behind CMA's centres has always been to help people trapped by debt to find freedom through three key elements: regulated debt advice, money management skills and ongoing face to face support for as long as it is required – a unique offering amongst debt advice providers in the UK.

Regulatory requirements from the Financial Conduct Authority (FCA) in the area of Consumer Duty have caused significant work across the sector for implementation, for which training materials and CMA's case and centre-management software, "Catalyst" have been specifically designed to address.

Money and Pension Service organizational accreditation was achieved for all CMA FCA-authorized firms and the CMA Hub.

FCA Consumer Duty Guide and associated policy and procedures for Full Debt Advice and Connect centres was written and disseminated out to the network of the 31st July 2023 deadline.

Nationally, pressures on funding streams and debt advice organisations has resulted in a shifting landscape of provision, that has resulted in the loss of advice centres from many providers.

Intentional work to consider efficiencies and to redesign the operational practices of CMA has been carried out, with particular attention on the process for starting new debt advice centres under a "Connect-First" model. This enables new centres to open relatively quickly, with debt advice being provided centrally by CMA, with a planned future choice of upgrading to being a full debt-advice provider once training and experience has been gained after the first year. This shift of operating model has required significant alteration to CMA's operations.

COMMUNITY MONEY ADVICE LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MAY 2024

CMA Snapshot

This year, 20 new CMA Connect centres have started.

9,500 households have been helped, representing £38m of debt.

Training

There has been significant uplift in demand for CMA-provided training across the debt advice sector. This has precipitated upgrades to CMA systems and a planned increase in personnel to be able to meet this demand.

CMA ran 214 training days, with 1,145 people attending.

New Training Management and Learning Management systems have been implemented to automate much of our administration, and enable our activities to appeal to a wider range of learning styles.

90 (2023: 62) new Money Mentors (collecting and collating clients' financial information and making referrals to CMA's Hub for regulated debt advice) were added to the team of Connect centres.

We piloted and hosted the bespoke "Supporting and Advising Vulnerable Clients" course.

MaPS Accreditation gained for CMA's level 3 & 4 Debt Adviser courses.

198 (2023: 109) Budget Coaches were trained to support individuals and families to budget and live within their means.

Catalyst

The new version of our bespoke centre and case management software, Catalyst, rolled out in Spring 2024. This has brought a significant uplift to case detail, embedding credit reports, Debt Relief Order preparation, and Consumer Duty requirements at the heart of case details. Centres have embraced the additional features and modern interface, and appreciated the number of functionality requests that have been able to be implemented. A rolling programme of further development is now part of the CMA roadmap.

Head office

To mitigate against the restrictions of being a de-centralised networked team, we secured use office space in the heart of Shrewsbury to enable up to 6 staff to work from. This is particularly essential for holding stocks of literature and providing a physical location for a core team to work together.

Personnel

CMA's IT Manager, Chris Marriott, was tragically killed just after Christmas 2023. Heather Keates provided immediate support and assistance to his family, and fielded media attention, whilst supporting colleagues through the untimely and unwelcome impact across CMA. Chris was instrumental in the design and planned rollout of our new version of Catalyst nationally. It is testament to his skill and passion that the subsequent upgrade that occurred a few weeks later was smooth and unanimously appreciated across the entire network. A fund was opened to support Chris's family, which raised over £55,000.

Long-term consideration began on preparing CMA for transition of key personnel due to retirement, with an expected departure of John Franks, COO around 2025-2026.

CMA bade farewell to Rory Sanders, a long-time stalwart of training and knowledge of the debt advice sector, being replaced by Becci Amos as Training Manager, with a planned eventual transition to Chief Operating Officer in the future.

Martin Bethell, Business Development Manager, moved to a new role elsewhere in May 2024, being replaced by former-OSM, David Chambers.

Operational Support Managers oversee the debt advice centres around the UK. As the shape of the network and geographic distribution changes over time, OSM workload is redistributed and adapted as necessary.

Bev Anderson joined the team to provide additional support to the current network of Connect and full debt advice centres as well as to the Money Mentors.

Trustees also reviewed remuneration levels and revised policies for the consistent care and appreciation of staff who have been with CMA for significant duration of years.

COMMUNITY MONEY ADVICE LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT) FOR THE YEAR ENDED 31 MAY 2024

Scotland

On 1st April 2024, the Salvation Army took the decision to cease membership of CMA. CMA's provision of debt advice in Scotland was primarily based upon support for the Salvation Army centres. Trustees therefore took the reluctant decision to immediately close CMA Scotland, redistributing CMA resources around the north of England.

Financial review

The total income for the year was £674,257 (2023: £719,470) and total expenditure on charitable activities amounted to £842,080 (2023: £828,442). At the year end the charity had £232,639 (2023: £405,385) in unrestricted reserves and £10,730 (2023: £5,807) in restricted reserves.

Reserves policy

CMA maintains free cash reserves to cover whichever is the greater of 3 months' operating costs or making staff redundant.

Fundraising

A significant portion of CMA income is generated from trust fund applications and funds distributed from the Money & Pensions Service for our processing of Debt Relief Orders.

Trustees wish to express their deepest thanks to the trustees of the Community Fund who are providing £332,670 over three years. This has enabled us to develop our "Catalyst" tool for all centres, develop our ChatBot, produce and accredit Level 3 training with MaPS, enhance our booking systems for training, and develop budgeting tools and website for clients.

CMA Trustees are aware that these income streams are not reliable as the landscape of debt advice changes each year. As part of our financial diligence, we have revised our future plans in response to falling reserves and restructured staffing provision to move CMA to a sustainable footing.

We are grateful to all our partners who support us financially and to God for His faithful provision.

Our centres will always be at the heart of everything that we do, and CMA remains committed to ensuring we continue to provide each of our centres with the best possible service at all times, based upon individual needs, whilst seeking always to improve and enhance what we do. This enables our centres to help thousands of families become debt free giving them real hope for the future.

Trust Fund

CMA operates a trust fund, seeded with 10% of all incoming unrestricted donations.

This fund is split 50/50 between our support for CHAPS in Kenya, and grants to enable centres to help clients with the cost of Debt Relief Orders and Bankruptcy or for help for set up and training costs where a centre is unable to meet the full cost themselves.

The national cancellation of the £90 DRO fee had an immediate impact on the levels of applications to fund, with trustees reviewing the purpose of the fund and to re-assess the anticipated composition of requests.

This year the process for applications, review and subsequent awards has been redesigned.

COMMUNITY MONEY ADVICE LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MAY 2024

Future developments

CMA faces a period of internal transition of personnel and systems as we seek to adjust to new ways of working, and a growing proportion of centres starting as Connect centres. We are confident that the right personnel are on board to help us adapt, in a period where change seems constant.

The Financial Conduct Authority continues to conjure new requirements, imposing additional work for the debt advice sector. A Board Report based on Consumer Duty Policies will be required within every full debt advice centre and for CMA. Work is underway within Catalyst to provide the raw statistics and reporting required. Consumer Duty training is being embedded in all first three parts of CMA training material.

A new specialist trainer, John Coates, will join the training department to help facilitate the roll out of new training modules, including the new Supporting and Advising Vulnerable Clients course.

Structure, governance and management

Community Money Advice Limited is a company limited by guarantee governed by its Memorandum and Articles of Association dated 4th May 2004 which have subsequently been amended. It is registered as a charity with the Charity Commission. Members of the charitable company guarantee to contribute amounts not exceeding £10 to the assets of the charitable company in the event of a winding up.

The trustees, who are also the directors for the purpose of company law, and who served during the year and up to the date of signature of the financial statements were:

H R Keates
T D Jackson
S E Vinson
J S Mander
A Padfield
J E Wanless

Trustees meet 6 times a year, with a half-day with key CMA staff alongside the national conference, and an extended meeting in person in March. We intentionally cover all requirements of the Charity Commission over a 2-year cycle.

All trustees keep the composition of the board under review and will seek to appoint additional members with appropriate skills and expertise should the need arise. The trustee board aims to have a broad representation of trustees. The opportunity for new trustees is advertised across the CMA network together with the outline of the type of person required. Generally, trustees will have a knowledge of the sector, of a specific skill set that is needed to be a Christian. Interested parties are given details of the background of the charitable company in order to make them aware of current activities.

Trustees refreshed rules around tenure of membership, with a default period of service of 3 years.

Remuneration

Annually, the Trustees review the salaries of the team and aim to agree an increase that keeps pace with the Consumer Price Index.

The Chief Executive Officer advises the trustees on any internal regrading required as part of promotion or structural changes, as they occur.

Risk management

A risk register is kept under review by trustees and used each year to pro-actively guide trustees to areas of operations requiring scrutiny, with the aim of reducing risk to CMA. We are satisfied that systems are in place to mitigate exposure to the major risks.

COMMUNITY MONEY ADVICE LIMITED

TRUSTEES REPORT (CONTINUED)(INCLUDING DIRECTORS' REPORT)

FOR THE YEAR ENDED 31 MAY 2024

Disclosure of information to auditor

Each of the trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The trustees report was approved by the Board of Trustees.

Julian Mander

J S Mander

Board of trustees

Dated: *19/12/2024*

COMMUNITY MONEY ADVICE LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE TRUSTEES OF COMMUNITY MONEY ADVICE LIMITED

Opinion

We have audited the financial statements of Community Money Advice Limited (the 'company') for the year ended 31 May 2024 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 May 2024 and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the trustees use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the trustees with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Charities (Accounts and Reports) Regulations 2008 require us to report to you if, in our opinion:

- the information given in the financial statements is inconsistent in any material respect with the trustees report; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

COMMUNITY MONEY ADVICE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF COMMUNITY MONEY ADVICE LIMITED

Responsibilities of trustees

As explained more fully in the statement of trustees responsibilities, the trustees, who are also the directors of the company for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the trustees are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with the Act and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

The audit team obtained an understanding of the legal and regulatory frameworks that are applicable to the Company and determined that the most significant are those that relate to the reporting framework (FRS102 and the Companies Act 2006), the relevant tax compliance regulations, employment law, Health and Safety Regulations and the EU General Data Protection Regulation (GDPR).

We understood how the company is complying with these frameworks by making enquiries of management and those responsible for legal and compliance procedures.

We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur by meeting with key management to understand where they considered there was a susceptibility to fraud. Based on our understanding, our procedures involved enquiries of management and those charged with governance, manual journal entry testing, cashbook reviews for large and unusual items and the challenge of significant accounting estimates used in preparing the financial statements.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission, or misrepresentation.

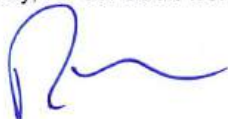
A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditors-responsibilities>. This description forms part of our auditor's report.

COMMUNITY MONEY ADVICE LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE TRUSTEES OF COMMUNITY MONEY ADVICE LIMITED

This report is made solely to the company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



Mr Robert Humphreys BEng FCA (Senior Statutory Auditor)
for and on behalf of James Holyoak & Parker Limited

2 January 2025

Chartered Accountants
Statutory Auditor

1 Knights Court
Archers Way
Battlefield Enterprise Park
Shrewsbury
SY1 3GA

James Holyoak & Parker Limited is eligible for appointment as auditor of the company by virtue of its eligibility for appointment as auditor of a company under section 1212 of the Companies Act 2006.

COMMUNITY MONEY ADVICE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MAY 2024

	Notes	Unrestricted funds	Designated funds	Restricted funds	Total	Unrestricted funds	Designated funds	Restricted funds	Total
		2024	2024	2024	2024	2023	2023	2023	2023
		£	£	£	£	£	£	£	£
Income from:									
Donations	3	42,399	110	3,796	46,305	23,681	-	4,125	27,806
Charitable activities	4	410,731	500	210,854	622,085	599,755	31,378	59,569	690,702
Investments	5	5,867	-	-	5,867	962	-	-	962
Total income		458,997	610	214,650	674,257	624,398	31,378	63,694	719,470
Expenditure on:									
Charitable activities	6	611,688	20,815	209,577	842,080	737,628	21,456	69,358	828,442
Net (outgoing)/incoming resources before transfers		(152,691)	(20,205)	5,073	(167,823)	(113,230)	9,922	(5,664)	(108,972)

COMMUNITY MONEY ADVICE LIMITED

STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 MAY 2024

Net (outgoing)/incoming resources before transfers	(152,691)	(20,205)	5,073	(167,823)	(113,230)	9,922	(5,664)	(108,972)
Gross transfers between funds	12,016	(11,866)	(150)	-	(6,924)	-	6,924	-
Net (expenditure)/income for the year/ Net movement in funds	(140,675)	(32,071)	4,923	(167,823)	(120,154)	9,922	1,260	(108,972)
Fund balances at 1 June 2023	356,144	49,241	5,807	411,192	476,298	39,319	4,547	520,164
Fund balances at 31 May 2024	<u>215,469</u>	<u>17,170</u>	<u>10,730</u>	<u>243,369</u>	<u>356,144</u>	<u>49,241</u>	<u>5,807</u>	<u>411,192</u>

The statement of financial activities includes all gains and losses recognised in the year. All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

COMMUNITY MONEY ADVICE LIMITED

BALANCE SHEET

AS AT 31 MAY 2024

		2024		2023	
	Notes	£	£	£	£
Current assets					
Debtors	10	19,804		37,561	
Cash at bank and in hand		282,011		401,640	
		<u>301,815</u>		<u>439,201</u>	
Creditors: amounts falling due within one year	12	(58,446)		(28,009)	
Net current assets			<u>243,369</u>		<u>411,192</u>
Income funds					
Restricted funds	18		10,730		5,807
<u>Unrestricted funds</u>					
Designated funds	17	17,170		49,241	
General unrestricted funds		<u>215,469</u>		<u>356,144</u>	
			<u>232,639</u>		<u>405,385</u>
			<u>243,369</u>		<u>411,192</u>


The company is entitled to the exemption from the audit requirement contained in section 477 of the Companies Act 2006, for the year ended 31 May 2024, although an audit has been carried out under section 144 of the Charities Act 2011.


The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements under the requirements of the Companies Act 2006, for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Trustees on 19/12/2024


T D Jackson
Trustee


J S Mander
Trustee

Company Registration No. 5123444

COMMUNITY MONEY ADVICE LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MAY 2024

		2024	2023
	Notes	£	£
Cash flows from operating activities			
Cash absorbed by operations	22	(125,496)	(95,197)
Investing activities			
Investment income received		5,867	962
Net cash generated from investing activities		5,867	962
Net cash used in financing activities		-	-
Net decrease in cash and cash equivalents		(119,629)	(94,235)
Cash and cash equivalents at beginning of year		401,640	495,875
Cash and cash equivalents at end of year		282,011	401,640

COMMUNITY MONEY ADVICE LIMITED

STATEMENT OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2024

1 Critical accounting estimates and judgements

In the application of the company's accounting policies, the trustees are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

2 Accounting policies

Charity information

Community Money Advice Limited is a private company limited by guarantee incorporated in England and Wales. The registered office is The Barnabas Centre, Longden Coleham, Shrewsbury, Shropshire, SY3 7DN.

2.1 Accounting convention

The financial statements have been prepared in accordance with the company's Articles of Association and Memorandum, the Companies Act 2006 and "Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (effective 1 January 2019)". The company is a Public Benefit Entity as defined by FRS 102.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

2.2 Going concern

At the time of approving the financial statements, the trustees have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the trustees continue to adopt the going concern basis of accounting in preparing the financial statements.

2.3 Charitable funds

Unrestricted funds are available for use at the discretion of the trustees in furtherance of their charitable objectives.

Restricted funds are subject to specific conditions by donors or grantors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

2.4 Income

Income is recognised when the company is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the company has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

COMMUNITY MONEY ADVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2024

2 Accounting policies

(Continued)

Grants, where entitlement is not conditional on the delivery of a specific performance by the charity, are recognised when the charity becomes unconditionally entitled to the grant.

Where entitlement is dependent on the fulfilment of one or more specified conditions, grants received by the charity are recognised and taken into revenue unless the conditions are within the charity's control and uncertainty exists as to whether the conditions will be fulfilled.

2.5 Expenditure

Expenses are included in the financial statements as they become receivable or due.

Expenses include VAT where applicable as the company cannot reclaim it.

2.6 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

2.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

2.8 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

2.9 Employee benefits

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2.10 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

COMMUNITY MONEY ADVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2024

3 Donations

	Unrestricted funds	Designated funds	Restricted funds	Total	Unrestricted funds	Restricted funds	Total
	2024	2024	2024	2024	2023	2023	2023
	£	£	£	£	£	£	£
Donations and gifts	42,399	110	3,796	46,305	23,681	4,125	27,806

COMMUNITY MONEY ADVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2024

4 Charitable activities

	Grants £	Affiliates fees £	Conference & training £	Other income £	Total £	2023 £
Sales within charitable activities	210,854	189,318	126,176	95,737	622,085	690,702
Analysis by fund						
Unrestricted funds	-	189,318	126,176	95,237	410,731	
Designated funds	-	-	-	500	500	
Restricted funds	210,854	-	-	-	210,854	
	210,854	189,318	126,176	95,737	622,085	
For the year ended 31 May 2023						
Unrestricted funds	-	155,895	85,250	358,610		599,755
Designated funds	-	-	-	31,378		31,378
Restricted funds	59,350	-	170	49		59,569
	59,350	155,895	85,420	390,037		690,702

5 Income from investments

	Unrestricted funds 2024 £	Unrestricted funds 2023 £
Interest receivable	5,867	962

COMMUNITY MONEY ADVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2024

6 Charitable activities

	Unrestricted £	Designated £	Restricted £	Total £	2023 £
Staff costs	464,429	-	116,474	580,903	546,223
Contractors	3,801	92	10,520	14,413	13,377
Training tutor fees	21,425	-	-	21,425	17,067
Advice UK	1,848	-	-	1,848	1,680
Conference costs	19,681	-	-	19,681	28,293
Marketing and PR	2,345	-	820	3,165	700
Travel expenses	4,851	-	-	4,851	3,702
Hospitality	2,592	-	-	2,592	1,885
Postage, telephone and office costs	23,417	-	6,248	29,665	26,637
Insurance	1,167	-	-	1,167	1,041
Bank charges	1,486	-	-	1,486	1,234
IT costs including Catalyst	44,489	-	73,815	118,304	131,076
Non-executive trustee expenses	557	-	-	557	170
Audit	5,740	-	-	5,740	6,480
Charitable giving	13,860	20,723	1,700	36,283	48,877
	<u>611,688</u>	<u>20,815</u>	<u>209,577</u>	<u>842,080</u>	<u>828,442</u>

COMMUNITY MONEY ADVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2024

7 Trustees

The following payments were made during the year year in respect of the reimbursement of travel, subsistence, and office costs of two trustees £3,066 (2023: £0)

8 Auditors' remuneration

The analysis of auditor's remuneration is as follows:

	2024 £	2023 £
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	5,740	6,480
	<u>5,740</u>	<u>6,480</u>

9 Employees

The average monthly number of employees during the year was:

	2024 Number	2023 Number
Charitable Activities	24	27
Administration	5	3
Total	<u>29</u>	<u>30</u>

The average number of full time equivalents employees for the year was:

	2024 Number	2023 Number
Charitable Activities	12	13
Administration	3	2
	<u>15</u>	<u>15</u>

Employment costs

	2024 £	2023 £
Wages and salaries	535,489	501,182
Social security costs	31,694	32,894
Other pension costs	13,720	12,147
	<u>580,903</u>	<u>546,223</u>

There were no employees who received total employment benefit of more than £60,000.

COMMUNITY MONEY ADVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2024

10 Debtors

	2024 £	2023 £
Amounts falling due within one year:		
Prepayments and accrued income	19,804	37,561

11 Taxation

The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010 and therefore it meets the definition of a charitable company for UK corporation tax purposes.

12 Creditors: amounts falling due within one year

	Notes	2024 £	2023 £
Deferred income	13	51,541	6,700
Accruals		6,905	21,309
		58,446	28,009

13 Deferred income

	2024 £	2023 £
Other deferred income	51,541	6,700

Deferred income is included in the financial statements as follows:

	2024 £	2023 £
Deferred income is included within:		
Current liabilities	51,541	6,700
Movements in the year:		
Deferred income at 1 June 2023	6,700	27,455
Released from previous periods	(6,700)	(20,755)
Resources deferred in the year	51,541	-
Deferred income at 31 May 2024	51,541	6,700

COMMUNITY MONEY ADVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2024

14 Retirement benefit schemes

	2024 £	2023 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	13,720	12,147

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

16 Analysis of net assets between funds

	Unrestricted funds	Designated funds	Restricted funds	Total
	2024 £	2024 £	2024 £	2024 £
Fund balances at 31 May 2024 are represented by:				
Current assets/(liabilities)	215,469	17,170	10,730	243,369
	215,469	17,170	10,730	243,369

	Unrestricted funds	Designated funds	Restricted funds	Total
	2023 £	2023 £	2023 £	2023 £
Fund balances at 31 May 2023 are represented by:				
Current assets/(liabilities)	356,144	49,241	5,807	411,192
	356,144	49,241	5,807	411,192

17 Designated funds

The unrestricted funds of the charity comprise the unexpended balances of donations and grants which are not subject to specific conditions by donors and grantors as to how they may be used. These include designated funds which have been set aside out of unrestricted funds by the trustees for specific purposes.

	Movement in funds			
	Balance at 1 June 2023 £	Incoming resources £	Resources expended £	Balance at 31 May 2024 £
Kenya	16,845	270	(12,500)	4,527
Trust Fund	32,396	340	(8,315)	12,643
	49,241	610	(20,815)	17,170

COMMUNITY MONEY ADVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2024

18 Restricted funds

The restricted funds of the charity comprise the unexpended balances of donations and grants held on trust subject to specific conditions by donors as to how they may be used.

	Movement in funds			
	Balance at 1 June 2023	Incoming resources	Resources expended	Balance at 31 May 2024
	£	£	£	£
Trust Fund	574	1,916	-	2,490
Community Fund	-	210,854	(206,613)	4,241
Scotland	3,733	-	(1,264)	2,319
Acts 435	-	1,880	(1,700)	180
Training	1,500	-	-	1,500
	<u>5,807</u>	<u>214,650</u>	<u>(209,577)</u>	<u>10,730</u>

Trust Fund

To support centres and clients in financial difficulty.

Community Fund

Funds received to develop the Connect centres as an alternative basis of providing debt advice at a local level.

Scottish Funds

Provision of Scottish specific services.

Acts 435

Funds received to directly meet clients needs

Training

Funds received to support the rewrite of CMA's Level 3 training materials.

19 Events after the reporting date

Post year end the organisation de registered with the Scottish Charities Commission as of June 2024. The continued operational activities of the organisation remain uncharged.

COMMUNITY MONEY ADVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2024

20 Related party transactions

Trustee Remuneration

During the year the charity paid remuneration and fees to one of the directors and key management personnel of the charity as follows:

	2024 £	2023 £
Heather Keates		
Salaries and wages	51,670	49,685
Employers national insurance	5,875	5,816
Employers pension	1,550	1,477
	<u>59,095</u>	<u>56,978</u>

During the year Heather Keates also received in advance a long service award for £1,250.

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Purchase of goods	
	2024 £	2023 £
The Fayre	6,323	5,860
	<u>6,323</u>	<u>5,860</u>

The Fayre is a joint partnership between H Keates and her partner T Keates.

The payments are in respect to advertising and graphic design, and are paid on a fair market value.

During the year Heather Keates and her spouse donated £240 to the charity.

21 Analysis of changes in net funds

The company had no material debt during the year.

COMMUNITY MONEY ADVICE LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MAY 2024

22	Cash generated from operations	2024 £	2023 £
	Deficit for the year	(167,823)	(108,972)
	Adjustments for:		
	Investment income recognised in statement of financial activities	(5,867)	(962)
	Movements in working capital:		
	Decrease in debtors	17,757	42,551
	(Decrease) in creditors	(14,404)	(7,059)
	Increase/(decrease) in deferred income	44,841	(20,755)
	Cash absorbed by operations	<u>(125,496)</u>	<u>(95,197)</u>